

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

UNSTARRED QUESTION NO:1912
ANSWERED ON:29.11.2007
TAXES LEVIED ON DIESEL AND PETROL
Chinta Mohan Dr. ;Suman Shri Ramji Lal

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether the selling price of petrol and diesel includes custom, oil refining expenditure, State surcharge, excise duty, special excise duty, sales tax, dealer's commission and tax in the form of VAT;
- (b) if so, the details thereof;
- (c) whether the prices of petrol and diesel become very high for the consumer owing to the above said tax recoveries; and
- (d) if so, the per litre revenue collected in the form of taxes levied on diesel and petrol in Delhi in the month of October, 2007?

Answer

MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MURLI DEORA)

(a)to(d): The current structure of excise & customs duty and VAT on petrol and diesel are given below:

Product	Excise Duty	Customs Duty	VAT at Delhi
	Advalorem	Specific	

Petrol	6% Rs.13/- perlitre	7.5%	20%
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Diesel	6% Rs. 3.25per litre	7.5%	12.5%
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Education Cess @ 3% is applicable on all duties

The ad-valorem component of duty has a cascading effect on the retail selling prices of the products. The detailed break-ups of price components of petrol and diesel at Delhi are given in Annexure.